



CITY OF SANTA BARBARA

COUNCIL AGENDA REPORT

AGENDA DATE: April 1, 2008
TO: Mayor and Councilmembers
FROM: Administration Division, Airport Department
SUBJECT: Consent To Sublease Agreement With AvBase Leasing, LLC

RECOMMENDATION:

That Council approve and authorize the Airport Director to execute a Consent to Sublease between Ampersand Aviation, LLC, a California limited liability company, and AvBase Leasing, LLC, a Washington state limited liability company, as required by Lease Agreement No. 5375, as amended, for hangar building space at 495 South Fairview Avenue, at the Santa Barbara Municipal Airport.

DISCUSSION:

On October 6, 1998, City Council consented to the assignment of leases from Lucas Aviation, Inc. to Ampersand Aviation, LLC, for approximately 22.97 acres of improved land at 495 South Fairview Avenue.

Previous tenants had constructed improvements including a 30,000 square foot office building and four large hangar buildings totaling 180,000 square feet. At the time of the assignment, Ampersand indicated that the hangar buildings would be subleased in compliance with the Master Lease requirements for aeronautical uses. Since the assignment in 1998, Ampersand has made substantial improvements to the facility including a remodel of two hangars to accommodate corporate aircraft storage.

At this time, Ampersand wishes to sublease a 39,000 square foot hangar (Hangar 2) and 5,720 square feet of first floor office space to AvBase Leasing for storage of aircraft.

AvBase Leasing's sole member, COM Investments, LLC and its principal have been extensively involved with corporate aviation, airplane hangar construction, and the operation and management of aircraft storage facilities since the mid 1980's developing and managing aircraft facilities. In addition to the AvBase San Jose facility, the company currently owns and operates aircraft facilities in Seattle Washington and Sun Valley, Idaho. AvBase will have four to six employees and will hangar up to five aircraft.

Staff recommends that the Consent to Sublease be approved in accordance with the Ampersand Master Lease. The sublease with AvBase Leasing, LLC complies with the Master Lease and is not in conflict with either fixed base operation at the Airport.

PREPARED BY: Hazel Johns, Assistant Airport Director

SUBMITTED BY: Karen Ramsdell, Airport Director

APPROVED BY: City Administrator's Office